

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
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Salt Lake City, Utah 84114-5801
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LARGE MINING OPERATIONS PROGRESS REPORT
January 1, 20 11 to December 31, 20 11

The information required in this form is based on provisions of the Mined Land Reclamation Act, Title 40-8, and the R647 rules under the Utah Minerals Regulatory Program. It is due January 31 of each year.

1. Mine Permit Number: M430004
2. Mine Name: Utelite Mine
3. Name of Operator/Permittee: Utelite Corp.

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-REV.pdf.

4. Report the gross amount of ore mined and waste moved:

Gross Ore Mined 195090 Tons, or _____ yd³
Waste Material Moved 83545 Tons, or _____ yd³

5. New disturbance created during the year 2 Acres
Area reclaimed during the year 0 Acres
Total disturbed area at the end of the year 72 Acres*

*The total disturbed area should not be greater than the permitted/bonded acreage

6. Briefly describe the reclamation work performed during the past year. (Submit form MR-SITE (https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-SITE.pdf) to apply for full or partial bond/site release). Attach additional sheets if needed.

7. Include an updated map depicting surface disturbance and reclamation performed during the year (Rule R647-4-105).

I hereby certify the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Carsten Mortensen
Title of Operator: President
Signature of Operator: [Signature]
Date: 1-12-12

RECEIVED

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